

# NEWS RELEASE



**STATE OF ALABAMA**  
**Department of**  
**Industrial Relations**  
**News For Immediate Release**  
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## **WORK OPPORTUNITY TAX CREDIT EXTENDED**

MONTGOMERY, ALABAMA, April 20, 2007 . . . . . The Work Opportunity Tax Credit (WOTC) Program, designed to help move people from welfare to work and gain on-the-job experience, has been extended by Congressional legislation signed by President Bush.

“The extension includes wages paid for individuals who have started to work, or will start to work, after December 31, 2005, but prior to January 1, 2008,” says Phyllis Kennedy, director of the Alabama Department of Industrial Relations. “The legislation expands eligibility for WOTC by raising the age ceiling for Food Stamp recipients from 25 to 40, eliminates the WOTC family income restrictions for ex-felons, and extends the paperwork filing deadline from 21 to 28 days.”

The WOTC can reduce an employer’s federal tax liability by as much as \$2,400 per new hire for most target groups, and up to \$9,000 per new hire for a long-term family assistance recipient. Since December 31, 2006, the legislation also provided for the Welfare-to-Work Tax Credit (WtWTC) to be combined into WOTC.

For further information, contact the WOTC Unit, Employment Service Division, Alabama Department of Industrial Relations, 649 Monroe Street, Montgomery, AL 36131; 334-353-8030. Additional details are available at: [www.doleta.gov/business/Incentives/opptax/](http://www.doleta.gov/business/Incentives/opptax/).

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Industrial Relations is an umbrella organization of State government which administers: the State Employment Service, Unemployment Insurance, Workers’ Compensation, and Labor Market Information. Smaller programs also administered include Abandoned Mine Land Reclamation, Mine Safety and Inspection, and Surface Mining of Non-Fuel Minerals. For more information on Industrial Relations, visit the Web site: <http://dir.alabama.gov/>.